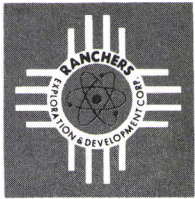


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JWS



RANCHERS EXPLORATION AND DEVELOPMENT CORPORATION

Box 6217 / 1776 Montano Road, N.W. / Albuquerque, New Mexico 87197
Telephone (505) 344-3542 / TWX 910 989 1688 RANC EXPLO ABQ
TLX 66 0422 RAN EXP ALB

June 14, 1983

Utah Division of Oil, Gas and Mining
Attn: Mr. David Darby
Natural Resources and Energy Department
4241 State Office Building
Salt Lake City, UT 84114

SUBJECT: Escalante Silver Mine Tailings Dam Expansion

Dear Mr. Darby:

With reference to your letter dated April 14, 1983, I am enclosing a plot plan of the probable clay borrow areas that will be utilized to furnish clay liner material for the expanded tailings pond and for seepage control in the expanded dam.

Area #1 is within the tailings pond fence, and it is expected to furnish approximately 23,000 cubic yards of suitable clay. Actually, there are three sub areas within Area #1. Much of the area has already been stripped during the construction of Phase I.

Area #2 located to the south of the tailings pond is expected to provide 77,000 cubic yards of suitable clay. Approximately 12 acres will be disturbed, with the topsoil and stripped vegetation being stockpiled for future reclamation.

Area #3 will be used only as a last resort in the event Area #2 cannot provide sufficient clay.

Total requirements are estimated to be 100,000 cy of clay.

Runoff and sediment from these areas will be controlled by constructing basins and ditches along the low discharge area at each location. (Area #1 will run into the tailings pond.) These basins will serve to control any runoff and sediment being transported. Borrow excavation work will be conducted starting from the lowest elevation in each area.

Construction is anticipated to begin in late July-early August.

If you have any questions, please contact me.

Sincerely,

Mark R. Welch
Chief Engineer

cc: DKH
Ed H
DVD
Don Taylor-FM Fox

Map included

RECEIVED

JUN 17 1983

DIVISION OF
OIL, GAS & MINING

Beryl Jct. Quad
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